

STATE OF NEW JERSEY
Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement
Dkt No. 11-1316-VC

STATE OF NEW JERSEY, DEPARTMENT)	
OF LAW AND PUBLIC SAFETY,)	
DIVISION OF GAMING ENFORCEMENT,)	
)	
Petitioner,)	ORDER
)	
v.)	
)	
SHOWBOAT ATLANTIC CITY OPERATING)	
COMPANY, LLC, t/a SHOWBOAT CASINO)	
HOTEL,)	
)	
Respondent)	
)	

The Division filed a complaint on August 26, 2011, Docket No. 11-1316-VC, seeking sanctions against SHOWBOAT ATLANTIC CITY OPERATING COMPANY, LLC, t/a SHOWBOAT CASINO HOTEL ("SHOWBOAT") for reasons set forth therein and, more specifically that SHOWBOAT improperly dealt the game of Spanish 21 in that it failed to remove all "10" value cards prior to the commencement of play and thereafter improperly removed gaming chips from the table inventory ; and,


Having considered the relevant provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., specifically N.J.S.A. 5:12-100(e), N.J.A.C. 19:47-1.19-3(b) and N.J.A.C. 19:47-1.20; and,

Having considered the Stipulation of Settlement which the parties executed and finding sufficient legal and factual support for the recommended penalty therein.

I hereby ORDER that the settlement be adopted and that a civil penalty in the amount of \$5,000 be imposed upon SHOWBOAT, payable upon receipt of an invoice from the Division.

Dated: _____

June 12, 2012

A handwritten signature in dark ink, appearing to read "David L. Rebeck", written over a horizontal line.

DAVID L. REBUCK
DIRECTOR

JEFFERY S. CHIESA

Attorney General of New Jersey
Attorney for Complainant
State of New Jersey
Department of Law and Public Safety
Division of Gaming Enforcement
1300 Atlantic Avenue
Atlantic City, New Jersey 08401

By: R. Lane Stebbins
Deputy Attorney General
609-317-6218

STATE OF NEW JERSEY
DOCKET NO.: 11-1316-VC

STATE OF NEW JERSEY, DEPARTMENT)	
OF LAW AND PUBLIC SAFETY,)	
DIVISION OF GAMING ENFORCEMENT,)	Civil Action
)	
Complainant,)	STIPULATION OF
)	SETTLEMENT
v.)	
)	
SHOWBOAT ATLANTIC CITY OPERATING)	
COMPANY, LLC, t/a SHOWBOAT CASINO)	
HOTEL,)	
Respondent.)	

The matters involved in the above-captioned action, having been discussed by and between the parties involved, Jeffery S. Chiesa, Attorney General of New Jersey, Department of Law and Public Safety, Division of Gaming Enforcement ("Division"), by R. Lane Stebbins, Deputy Attorney General, and SHOWBOAT ATLANTIC CITY OPERATING COMPANY, LLC, t/a SHOWBOAT CASINO HOTEL,

Respondent, by N. Lynne Hughes, Esq., Vice President Legal Affairs and Chief Legal Officer, Caesars Eastern Division, and said matters having been resolved, it is hereby consented to and agreed by and between the parties:

PRELIMINARY FACTS

1. Respondent, SHOWBOAT ATLANTIC CITY OPERATING COMPANY, LLC, t/a SHOWBOAT CASINO HOTEL ("Showboat") is a New Jersey enterprise having its principal place of business at 801 Boardwalk, Atlantic City, New Jersey.

2. Showboat is the holder of a casino license first issued on April 2, 1987. At all times relevant herein, Showboat was authorized to conduct casino gaming within its casino hotel facility.

APPLICABLE LAW

3. The Casino Control Act at N.J.S.A. 5:12-100(e), states, in pertinent part:

All gaming shall be conducted according to rules promulgated by the commission. . . .

4. The rules for conducting the game of Spanish 21 are set forth at N.J.A.C. 19:47-1.19, now N.J.A.C. 13:69D-1.19. With regard to cards used in the game of Spanish 21, the pertinent regulation provides, in pertinent part, that:

If the decks contain the 10 of any suit, the dealer shall remove these cards from the decks, and the floorperson shall verify that all such cards have been removed from each deck, and shall destroy them in a manner approved by the Commission. Following the inspection of the cards by the dealer and the verification by the floorperson assigned to the table, the cards shall be spread out face up on the table for visual inspection by the first player to arrive at the table. Each deck of cards shall be spread out separately, according to suit and in sequence.

5. N.J.A.C. 19:45-1.20 provides, in pertinent part, that:

(a) Whenever a gaming table in a casino or casino simulcasting facility is opened for gaming, operations shall commence with an amount of gaming chips, coins and plaques to be known as the "table inventory" and no casino licensee shall cause or permit gaming chips, coins or plaques to be added to, or removed from, such table inventory during the gaming day except:

1. In exchange for cash, coupons, issuance copies of Counter Checks presented by casino patrons, or documents prepared to evidence a credit or debit card chip transaction, in conformity with the applicable provisions of N.J.A.C. 19:45-1.18, 1.18A and 1.25;

2. In payment of winning wagers and collection of losing wagers made at such gaming table;

3. In exchange for gaming chips or plaques received from a patron having an equal aggregate face value;

4. In conformity with the Fill and Credit Slip procedures described in N.J.A.C. 19:45-1.22 and 1.23;

5. In conformity with N.J.A.C. 19:47-3.3 and 7.3, coin may be used for the purpose of marking baccarat vigorish;

6. In conformity with N.J.A.C. 19:47-14.14, the rake collected from patrons playing the game of poker shall always be placed in the table inventory container;

7. In conformity with a table inventory return device utilized in the game of pai gow poker pursuant to N.J.A.C. 19:46-1.13B or caribbean stud poker pursuant to N.J.A.C. 19:46-1.13G, the gaming chips wagered on the progressive payout shall always be placed in the table inventory container; and

8. In conformity with N.J.A.C. 19:47-18.7, 18.8 and 18.9, gaming chips placed on or in the wagering devices utilized for the optional bonus wager in the game of let it ride poker pursuant to N.J.A.C. 19:46-1.13H(e), shall always be placed in the table inventory container. (Emphasis added)

ALLEGATION AND ADMISSIONS

6. The Division, by Complaint filed August 26, 2011, Docket No. 11-1316-VC, sought sanctions against Showboat for reasons set forth therein and, more specifically that:

- a) Showboat failed to remove all cards having a value of "10" from the decks to be used in the game of Spanish 21 and, further, that Showboat used said decks of cards for approximately 5 hours; and,
- b) Showboat removed gaming chips from the table inventory for purposes not permitted by N.J.A.C. 19:47-1.20.

7. Respondent Showboat acknowledges the accuracy of the facts set

forth in Paragraph 6, *supra*, and admits that it failed to remove all “10” denomination cards from the decks of cards used in the game of Spanish 21, in violation of N.J.S.A. 5:12-100(e) and N.J.A.C. 19:47-1.19-3(b).

Prior Regulatory History of the Licensee

8. Although Showboat has been sanctioned and noticed regarding violations of various statutory and regulatory provisions, within the prior five years, Showboat has not been the subject of any regulatory action for violations of the regulations pertaining to the conduct of the game of Spanish 21.

Corrective Action Of The Licensee And Mitigating Factors

9. The individual Showboat employees that failed to remove the “10” denomination cards from the game at issue, specifically, two casino supervisors and two dealers, were each issued written warnings. In addition, one casino supervisor was verbally coached regarding the prohibition of payment from the table inventory for customer recovery or resolution of other issues.

10. In an effort to prevent a similar incident from occurring in the future, Showboat has issued a Memorandum, attached as Exhibit “A”, directed to all table games personnel, which Memorandum acted as a reminder of the importance of

following procedures related to the removal of "10" denomination cards from Double Attack and Spanish 21 games. In addition, a sign has been placed on the shoe drawer on the tables as a reminder to remove all "10" denomination cards.

Settlement Agreement

IT IS THEREFORE AGREED AND STIPULATED by and between the parties hereto that:

A. The facts stated herein are true and accurate.

B. Respondent Showboat, admits that it violated the provisions of the Act and the regulations, specifically N.J.S.A. 5:12-100(e) and N.J.A.C. 19:47-1.19-3(b) in that it conducted the game of Spanish 21 without removing all the "10" value cards as required by the rules of the game;

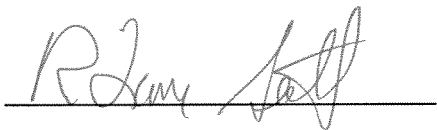
C. Respondent Showboat, admits that it violated the provisions of the Act and the regulations, specifically N.J.A.C. 19:47-1.20 in that it removed gaming chips from the table inventory for a purpose not permitted by law.

D. For the violations admitted in Paragraphs B and C, *supra.*, Respondent, Showboat, shall pay to the New Jersey Casino Revenue Fund, as a civil penalty pursuant N.J.S.A. 5:12-129(5), and in recognition of the provisions of N.J.S.A.

5:12-130, the sum of \$5,000;

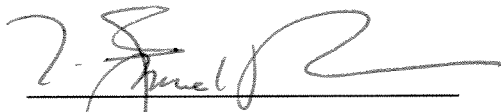
E. The parties agree that a monetary penalty, in the total amount of \$5,000 is just and equitable and in accordance with the criteria set forth in N.J.S.A. 5:12-130, and shall be in full and final settlement of the allegations set forth in the above-captioned complaint.

The undersigned consent to the form and entry of the above Stipulation.



R. Lane Stebbins
Deputy Attorney General
Attorney for Complainant

Dated: 6/11/2012



N. Lynne Hughes, Esq.
Vice President, Legal Affairs,
Chief Legal Officer
Counsel for Respondent
Showboat Atlantic City Operating Company, LLC
d/b/a Showboat Casino Hotel

Dated: 6/8/2012